



## E-NEWS from *Congresswoman Jennifer Dunn*

**An electronic legislative update for June 5, 2002**

### **Did you know...**

- *Small businesses employ more than 55 million Americans and create three-fourths of new jobs each year.*
- *Unfortunately, more than 70 percent of family businesses do not survive the second generation and 87 percent do not make it to the third generation.*
- *The estate tax, or "death tax" is one reason why small businesses do not survive from generation to generation.*
- *Under the tax relief plan signed into law last year, the death tax is phased out and eventually eliminated before the end of this decade. But because of an arcane Senate rule, the tax relief will disappear in 2011.*
- *This week, the US House will consider a bill to make elimination of the death tax permanent. The Senate will soon follow suit by considering HR 8, which was authored by Congresswoman Dunn.*

## **What is going on this week?**

### **HOUSE APPROVES BILL MAKING ADOPTION TAX CREDIT PERMANENT**

The US House has approved a bill to make permanent the recently enacted adoption tax credit. The Economic Growth and Tax Relief Reconciliation Act of 2001 included a provision to help ease the financial burden of adoption so that children can be placed in permanent homes more quickly. Specifically, it increases the adoption tax credit from \$5,000 to \$10,000 and increases from \$75,000 to \$150,000 the maximum income families can earn annually to qualify for the tax credit. A Senate procedural rule, however, forces the adoption tax credit to expire after December 31, 2010. This legislation repeals the sunset, making the adoption tax credit permanent.

## **HOLOCAUST RESTITUTION TAX FAIRNESS ACT PASSED BY US HOUSE**

The US House approved a bill to make permanent tax exemptions on monetary compensation awarded to Holocaust survivors. The Economic Growth and Tax Relief Reconciliation Act of 2001 prohibits the IRS from imposing a tax on the dollars Holocaust survivors receive as compensation for time spent in prison camps. But similar to all tax relief provisions of the 2001 bill, the exemption sunsets after December 31, 2010. This legislation will make permanent the exemption to Holocaust survivors so that those who suffered at the hands of the Nazis will not be forced to share their modest payments with the government.

## **US REP DUNN LEADS EFFORT TO MAKE DEATH TAX REPEAL PERMANENT; HOUSE TO CONSIDER BILL THIS WEEK**

A bill to make permanent the recently enacted “death tax” repeal, is scheduled to be considered by the US House. Jennifer authored legislation to repeal the death tax and she worked to include the provision as part of the Economic Growth and Tax Relief Reconciliation Act of 2001. A Senate rule, however causes the death tax to reappear after December 31, 2010. The bill scheduled to be considered by the US House this week would make the repeal of the death tax permanent so that families who own small businesses and farms can better plan for their future. This week’s vote follows the recent House approval of a bill to make permanent all provisions of the 2001 tax relief bill.

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## **What we did last week;**

In honor of Memorial Day, Congress was not in session last week and Members were in their districts for a weeklong work period. There were no votes, but following is a summary of some of what Jennifer did in the 8<sup>th</sup> Congressional district last week.

**Jennifer visited Sammamish High School on Friday, May 31 and toured the campus with the School Resource Officer, John Rohde.** The School Resource Officer program is an innovative approach to making public schools safer and is credited with preventing violent crime in schools across the country. The officers learn to recognize potential threats to students’ safety by getting to know the students and participating in various school activities. Jennifer obtained a doubling of current funding in last year’s budget for the King County School Resource Officer program and provided the county with more flexibility to place officers in public schools.

**On Thursday, May 30, Jennifer visited the Maxwell Child Care Center in Bellevue.** She toured the center, met with parents of children who attend the center, and met with representatives of the Washington State Child Care Resource and Referral Network and the Director of Housing and Child Care. One of the issues discussed was the recent House approval of the welfare reform reauthorization bill. The bill included an historic increase in funding for childcare for parents trying to move from welfare to work.

**Also on May 30, Jennifer visited the Griffin Home in Renton.** The Griffin Home is run by “Friends of Youth” and is a residential facility for 24 troubled boys. Jennifer has requested funding for the center for fiscal year 2003.